

CITY SUPPORT

City Support is a division of City government that operates as a pseudo-department made up of a number of diverse city-wide financial programs. The Department does not have a director or positions although it does house appropriations in the General Fund for salaries and benefits in the early retirement and compensation in lieu of sick leave program strategies. Appropriations for debt service payments and city match on operating grants are also included here.

Operating Fund Expenditures by Category (\$000's)	ACTUAL FY/04	ORIGINAL BUDGET FY/05	REVISED BUDGET FY/05	ESTIMATED ACTUAL FY/05	APPROVED BUDGET FY/06	APPR 06/ EST ACT 05 CHG
Personnel	11,244	5,850	7,050	7,050	7,350	300
Operating	79,826	79,441	114,615	108,395	82,005	(26,390)
Capital	0	0	0	0	0	0
Transfers	7,306	8,581	7,747	7,686	10,625	2,939
TOTAL	98,376	93,872	129,412	123,131	99,980	(23,151)

BUDGET HIGHLIGHTS

Overall, the General Fund appropriation for City Support increased by 22.2% or \$3.7 million over the FY/05 original budget. There are a number of significant changes. The appropriation for early retirement has increased by \$1.5 million to \$7 million. This increase is based on actual expenditures in FY/04 and the amount estimated for FY/05 plus 3.2% COLA in FY/06. The transfer to Operating Grants has increased by \$250 thousand based on anticipated grants in FY/06, for a total of \$4.5 million.

The FY/06 budget includes \$3.78 million in the transfer to the Vehicle/Equipment Fund (730). This will fund \$1.78 million for vehicle replacement in various City departments and, coupled with proposed GO bond funding, will bring 75% of the APD marked patrol fleet under warranty by the end of FY/06 and reduce maintenance costs. Also included is \$2.0 million for computer hardware and software purchases which will enable ISD to move systems from the outdated and overcrowded mainframe to a server environment. Some of this funding will support department hardware, software and PC replacement needs (including a new web system in Transit that will allow riders to find routes once they input their starting point and destination).

In addition, the FY/06 budget includes a general fund transfer to the Solid Waste Department of \$700 thousand to fund a comprehensive year-round anti-litter and "War on Weeds" program. A "day labor" concept will be used, utilizing homeless individuals through contracts with local shelters. Funding from the General Fund transfer will add four temporary laborer positions required to drive vans, a program specialist M14 position to administer and manage the program, and a twelve-passenger van at Solid Waste.

The FY/06 budget includes a \$150 thousand transfer to the Lodgers' Tax Fund from the General Fund to cover the Lodgers' Tax portion of debt service not covered by revenue generated in the Lodgers' Tax Fund. The transfer necessary to support the debt service is \$684 thousand less than the FY/05 original budget amount due to savings gained when the Convention Center debt was refinanced in FY/05. Also included is an increase of \$239 thousand in the General Fund transfer for Sales Tax Debt Service, increasing the transfer from \$1.3 to \$1.6 million in FY/06. This debt primarily supports the repayment of the bonds issued to build the City's downtown parking structures. It was fully anticipated at the time the ordinance was passed for the parking structure bonds that interest earnings would be used to make debt service payments until such time as all proceeds were exhausted on the parking projects. Since there are no longer any interest earnings to help cover the debt payments, the General Fund subsidy will continue to increase over the remaining debt service years.

City Support includes funding for the City's General Obligation (GO) Bond Debt Service Fund (415), for payment of principal and interest of all GO Bonds. GO Bonds are direct obligations of the City for which its full faith and credit are pledged and are payable from taxes levied on property located within the City. A variety of capital projects are funded with bond proceeds including the construction and/or improvement of libraries, streets, storm sewers, swimming pools, community centers, senior centers, parks, trails/bikeways, and other City owned facilities. In May FY/04, the City issued Series 2004A and 2004B in General Obligation bonds. The reduction in the FY/06 budget reflects the first payment of \$30 million paid in September of FY/05 for these bonds.

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(\$000's)	ACTUAL FY/04	ORIGINAL BUDGET FY/05	REVISED BUDGET FY/05	ESTIMATED ACTUAL FY/05	APPROVED BUDGET FY/06	APPR 06/ EST ACT 05 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 3: PUBLIC INFRASTRUCTURE						
<u>GENERAL FUND - 110</u>						
Trfr from Fund 110 to Fund 405	1,953	1,332	1,332	1,332	1,571	239
Trfr from Fund 110 to Fund 435	<u>95</u>	<u>95</u>	<u>95</u>	<u>95</u>	<u>95</u>	<u>0</u>
Total General Fund - 110	2,048	1,427	1,427	1,427	1,666	239
<u>SALES TAX REFUNDING DEBT SERVICE FUND - 405</u>						
Total Sales Tax Refunding Debt Service Fund - 405	8,143	10,843	10,009	9,879	10,955	1,076
<u>GENERAL OBLIGATION BOND DEBT SERVICE FUND - 415</u>						
Total Gen Obligation Bond Debt Service Fund - 415	68,616	66,423	102,431	96,407	68,963	(27,444)
<u>CITY/CNTY BUILDING DEBT SERVICE FUND - 435</u>						
Total City/Cnty Building Debt Service Fund - 435	1,406	1,409	1,409	1,409	1,407	(2)
TOTAL - GOAL 3	<u>80,213</u>	<u>80,102</u>	<u>115,276</u>	<u>109,122</u>	<u>82,991</u>	<u>(26,131)</u>
GOAL 6: ECONOMIC VITALITY						
<u>GENERAL FUND - 110</u>						
Trfr from Fund 110 to Fund 220	591	834	0	0	150	150
TOTAL - GOAL 6	<u>591</u>	<u>834</u>	<u>0</u>	<u>0</u>	<u>150</u>	<u>150</u>
GOAL 8: GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS						
<u>GENERAL FUND - 110</u>						
Bonus Program	4,371	0	0	0	0	0
Compensation In Lieu of Sick Leave	240	350	350	350	350	0
Dues and Memberships	360	542	542	476	456	(20)
Early Retirement	6,633	5,500	6,700	6,700	7,000	300
Jt Committee on Intergov. Legislative Relations	212	224	224	224	224	0
Risk Recovery	1,494	1,494	1,494	1,494	1,494	0
TRD Audit Gov Gross Receipts	1,089	0	0	0	0	0
Trfr from Fund 110 to Fund 265	4,521	4,253	4,253	4,192	4,503	311
Trfr from Fund 110 to Fund 305	700	0	0	0	0	0
Trfr from Fund 110 to Fund 651	0	0	0	0	700	700
Trfr from Fund 110 to Fund 730	<u>0</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>3,778</u>	<u>1,778</u>
Total General Fund - 110	19,620	14,363	15,563	15,436	18,505	3,069
TOTAL - GOAL 8	<u>19,620</u>	<u>14,363</u>	<u>15,563</u>	<u>15,436</u>	<u>18,505</u>	<u>3,069</u>
TOTAL APPROPRIATIONS	100,424	95,299	130,839	124,558	101,646	(22,912)
Interdepartmental Adjustments	<u>2,048</u>	<u>1,427</u>	<u>1,427</u>	<u>1,427</u>	<u>1,666</u>	<u>239</u>
NET APPROPRIATIONS	<u>98,376</u>	<u>93,872</u>	<u>129,412</u>	<u>123,131</u>	<u>99,980</u>	<u>(23,151)</u>